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IN THE

Supreme Court of the United States

OCTOBER TERM, 1949.

No. 409

THE MIDLAND STEEL PRODUCTS COMPANY,
Petitioner,

vs.

CLARK EQUIPMENT COMPANY,
Respondent.

BRIEF FOR RESPONDENT IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI.

JOHN A. DIENNER,
EDWARD C. GRELLE,
Counsel for Respondent.

53 W. Jackson Blvd.,
Chicago 4, Illinois.

THE GUNTHORP-WARREN PRINTING COMPANY, 810 WEST JACKSON, CHICAGO

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BRIEF FOR RESPONDENT IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI.

Petitioner attempts to create the impression that the alleged inventions of the patents in suit were the first to solve the problem of welding thick walled tubes and that they have been accepted and used as a solution of the problem. This is not correct. The record shows that Respondent welded thick walled tubes prior to the patents in suit (R. 318, 324, 327). Only one welding machine was built in accordance with the alleged inventions of the patents in suit and that was built by Petitioner.

The drawings, Figures A, B, C and D, appearing opposite page 2 of the Petition, are misleading. Respondent welds tubing 5/16″ thick, for truck axle housings (R. 537), whereas Petitioner welds tubing 5/32″ thick, for passenger car axle housings (R. 536, 318, Defendant's Ex. D-38

at p. 199). Petitioner's tubing is only one half the thickness of Respondent's tubing. The welding of such a thick-walled tubing, as was required for Respondent's truck axle housings, presented a difficult problem. A fusion weld, such as Petitioner's, was not the answer, because it required too much heat and would not weld fast enough due to the thickness of the stock. It required nearly a year of experimentation by the best brains in the General Electric Company to develop and perfect the machine and process used by Respondent in producing its solid phase weld, and on which Catlett patents Nos. 2,282,031 and 2,282,032 were granted.

Petitioner refers to the fusion weld of the patents in suit, in which the edges are open for the full depth thereof and melted for the full depth, as being the preferred form of the invention. This was the fundamental idea of the inventor; it was the only form disclosed in the specifications and, as stated by the Court of Appeals, "Without consideration of the inventor's fundamental idea, neither the method nor its separate and interrelated steps would be intelligible."

Petitioner states that the District Court held Respondent was estopped to deny validity of the patents and that this holding was not disturbed by the Court of Appeals. The Court of Appeals held, in view of their conclusion of non-infringement, that "we have no need to decide whether appellee is estopped to deny validity."

Petitioner refers to three cases in which this Court granted certiorari in view of the questions presented and "because the patent dominates a substantial portion of an industry," so concentrated in one circuit that litigation in other circuits is unlikely. Petitioner contends that precisely the same situation exists in the instant cause.

In each of the three cases referred to by Petitioner, the

Court of Appeals had found the patents valid and infringed, and had issued an injunction restraining the Defendant from further infringement. In view of the decision of the Court of Appeals, the patents dominated a substantial portion of the industry, and public interest required a review of the decision by this Court. In the instant cause, the Court of Appeals held that the patents were not infringed, did not hold the patents valid and did not issue an injunction, but dismissed the complaint. Consequently, the decision in the instant cause not only does not enforce a patent monopoly which dominates a substantial portion of an industry, but does not enforce a patent monopoly at all and, therefore, public interest is adequately protected.

Petitions for writs of certiorari are not granted merely to give the defeated party in the Court of Appeals another hearing.

> *American Construction Company* v. *Jacksonville, Tampa and Key West Railway Company,* 148 U. S. 372, 382.
>
> *Magnum Import Company, Inc.* v. *Coty,* 262 U. S. 159, 163.

The patents in suit relate to the welding of tubing, which is a nationwide industry not concentrated in the Sixth Circuit. While the axle housing industry may be concentrated in the Sixth Circuit, as asserted by Petitioner, yet the tube welding industry is not so concentrated and the patents in suit relate to the tube welding industry and not the axle housing industry.

Petitioner states, on page 3 of the Petition:

> "The difference between plaintiff's preferred form and defendant (respondent here) is, therefore, one of degree and not one of kind, as the Sixth Circuit Court of Appeals held (174 Fed. (2) 544). This dif-

ference of degree, as the same Court held, would not avoid infringement, except that the limitation to the full depth was construed erroneously, or read into the unambiguous claims in suit by that Court, as we point out hereinafter."

This statement is completely erroneous.

Briefly, what the Sixth Circuit Court of Appeals held, as to these points, is as follows:

"Were there no prior art and no history in the patent office in respect to the patents in suit, it would seem to be a simple matter to conclude that the charge of infringement had been sustained by the application of the principle that a difference in degree does not avoid infringement, by resort to the doctrine of equivalency and to those inferences that sometimes are said to flow from the acceptance of a license for a patented device. But the teachings of the art, the experience of the inventor with his applications and the circumstances under which the license was granted, present a different aspect. Riemenschneider was not a pioneer in arc welding methods and came into a crowded art. This he frankly concedes in his 112 patent. * * *"

"The machine finally produced by Catlett [the accused machine] operated, in the main, on the principle of solid phase welding which Catlett later described in patents. The minimum fusion at the top of the weld could have been avoided except for economic reasons, though Catlett's process produced a forged weld for about 60% of the depth of the seam.

The concept of Riemenschneider as derived from a study of his patents and their patent office history, going back to his abandoned application of 1930, was that his invention involved spaced-apart edges of the tube and a melting flame projected to the full depth of the seam. It was only by incorporating this step in his process that he was able to distinguish his invention from prior art so as to be granted patents thereon. * * *"

> "In view of these circumstances we are of the view that the patents in suit are of narrow scope, that they must be confined to fusion welding for the full depths of the seam, created by spaced-apart edges, and do not extend beyond that limited area."

From the foregoing quotations, it is clear that the Court did not hold that the difference between the patented device and the accused device was a mere difference of degree. It should also be noted that the Court limited the claims in view of the prior art. Petitioner does not question the soundness of this portion of the opinion, in which the Court limits the claims in view of the prior art, but bases its grounds for certiorari on one isolated paragraph of the opinion in which the Court said that the claims must be interpreted "in the light of the specifications." Even if this statement were incorrect, it would not affect the outcome of the case and be grounds for certiorari, since the interpretation and limitation of the claims was also in view of the prior art.

In *Keller* v. *Adams-Campbell*, 264 U. S. 314, this Court granted certiorari on the assumption that the case involved an important question of intervening rights under Rev. Stats. 4916. The Court of Appeals had said, in its opinion:

> "We, therefore think it clear that the appellees had and have such intervening rights as were properly protected by the court below."

When it was found that the Court of Appeals had also held that there was no infringement of the patents in suit, this Court dismissed the writ of certiorari, saying at pages 319 and 320:

> "These passages read in connection with the original and reissued patents and the alleged infringement show that what the courts really held was that the defendants were manufacturing a different in-

> vention from that of the plaintiffs, and so could not and did not infringe. Such an ordinary patent case with the usual issues of invention, breadth of claims and non-infringement, this Court will not bring here by certiorari unless it be necessary to reconcile decisions of Circuit Courts of Appeal on the same patent. We therefore find ourselves mistaken in assuming that an important issue of general patent law under § 4916, Rev. Stats., is here involved. The result is that an order must be entered dismissing the writ of certiorari as improvidently granted at the costs of the petitioner."

Similarly, in the case at bar, the fact that the Court of Appeals held that the claims must be interpreted and limited in view of the prior art disposes of the case, and the statement that the claims must be interpreted "in the light of the specifications," whether right or wrong, does not change the holding of non-infringement and is not a valid ground for granting certiorari.

While we believe that the foregoing is a sufficient reason for denying the Petition, we wish also to point out that the statement in the opinion of the Court of Appeals, that the claims must be interpreted "in the light of the specifications," is a correct statement of the law, that it is in accordance with the decisions of this court and many other courts, and that there is no conflict of decisions on this point.

In the recent decision, *Schriber-Schroth Co.* v. *Cleveland Trust Co., et al.,* 311 U. S. 211, this Court said at page 217:

> "The claims of a patent are always to be read or interpreted in the light of its specifications, *Hogg* v. *Emerson,* 11 How. 587; *Carnegie Steel Co.* v. *Cambria Iron Co.,* 185 U. S. 403; *Smith* v. *Snow,* 294 U. S. 1."

This is an old and well established proposition of law and is universally followed by all the courts.*

Petitioner argues that a patent is a contract and that, therefore, the claim cannot be read in the light of the specification. It is a fundamental rule of contract law that the contract must be construed as a whole and not from detached portions. *Mertill-Ruckgaber Co.* v. *United States,* 241 U. S. 387, 17 C. J. S., Contracts § 297.

The Petition for Certiorari in the instant cause is based on a quotation from the opinion of the Court of Appeals, which omits the first and last sentences of the paragraph from which the quotation is taken. The complete paragraph is as follows:

> "We have no quarrel with the appellee's statement of law that an element cannot be read into a claim in order to make out a case of non-infringement. Certain of the claims, it urges, say nothing about the full depth of the seam or the reduction of the edges to a molten condition for their full depth, and therefore it urges that these elements may not be read into such claims. The inventor's concept of his invention so clearly involves the spaced-apart edges and their molten condition to their full depth that none of the claims may, in the light of the specifications, be interpreted without recognition of that concept, and the steps in the method which are expressed in the claims, are a necessary and inescapable response to

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* *Aero Spark Plug Co.* v. *V. G. Corporation,* 130 F. (2d) 290, 291 (C. C. A. 2nd).
Hutzler Bros. Co. Sales Affiliates, 164 F. (2d) 260, 263 (C. C. A. 4th).
Remington Rand, Inc. v. *Meilink Steel Safe Co.,* 140 F. (2d) 519, 521 (C. C. A. 6th).
Hydraulic Press Mfg. Co. v. *Williams, White & Co.,* 165 F. (2d) 489, 493 (C. C. A. 7th).
General Motors Corporation v. *Kesling,* 164 F. (2d) 824, 828 (C. C. A. 8th).
Corcoran v. *Riness,* 128 F. (2d) 870, 872 (C. C. A. 9th).

it. Without consideration of the inventor's fundamental idea, neither the method nor its separate and interrelated steps would be intelligible."

The first sentence of the above paragraph shows that the Court did not overlook the rule of law, that an element cannot be read into a claim in order to make out a case of non-infringement. The last sentence constitutes a holding that the claims in question are ambiguous and not intelligible without consideration of the inventor's fundamental idea, *i. e.*—"the spaced-apart edges and their molten condition to their full depth." This holding disposes of Petitioner's entire Petition, which is based on the false premise that the claims in question are unambiguous.

There is no conflict of decisions, as is urged by Petitioner, between the decision in the instant cause and the decisions in *Wayne* v. *Humble Oil,* 175 F. (2d) 230; *Wayne* v. *Texas,* 175 F. (2d) 234, and *Graver Mfg. Co.* v. *Linde Air Products Co.,* 336 U. S. 271. In those decisions the claims were unambiguous. Also, in those decisions the Court was passing on the issue of validity, whereas in the instant cause and in *Yates* v. *Jones,* 82 U. S. P. Q. 337, referred to by Petitioner, the Court was passing on the issue of infringement.

A patentee is not entitled to a monopoly beyond the scope of his invention.

In applying this concept to the issue of validity, the Courts hold that a claim which is broader than the invention is invalid. See *Graver Mfg. Co.* v. *Linde Air Products Co.,* 336 U. S. 271.

In applying this concept to the issue of infringement, the Courts hold that a claim must be limited to the actual invention and advance over the prior art and will not be enforced to extend the scope of the patentee's monopoly

beyond the scope of the invention. See *Scott Paper Co.* v. *Marcalus Co.*, 326 U. S. 249.

Both of these propositions of law are well established and do not conflict when properly understood. They both give effect to the basic principle that a patentee is not entitled to a monopoly beyond the scope of his invention.

In the case at bar, a patent infringement suit, Petitioner is trying to extend the scope of the patent monopoly beyond the scope of the invention. This Court should not give its aid to any such attempt.

The Petition is without merit and should be denied.

Respectfully submitted,

JOHN A. DIENNER,
EDWARD C. GRELLE,
Counsel for Respondent.

53 W. Jackson Blvd.,
Chicago 4, Illinois.